

EXHIBIT B

Jeffrey D. Klobucar

From: Jeffrey D. Klobucar
Sent: Thursday, February 2, 2023 2:55 PM
To: Micheli, Matt; Grogan, James T.
Cc: Kristin K. Going (kgoing@mwe.com); J. Michael Sutherland; rsmiley@fbfk.law
Subject: RE: Ro Shirole

Matt,

Thank you for sending the insurance documents. However, I note that I have not yet received any of the other documents I have requested, despite the passage of a number of weeks since my initial request. To reiterate that, I request that the Debtors provide the following:

1. Copies of all signed customer and Joint Venture contracts, addenda, schedules and Order Forms from July 2020 through December 9, 2022;
2. Copies of all invoices from manufacturers from which the Debtors purchased miners from July 2020 through December 9, 2022;
3. Calculations for all profit-sharing agreements with Bit Digital through December 9, 2022;
4. Copies of all customer invoices for hardware purchases and hosting services from July 2020 through January 2023; and
5. Copies of all Power Purchase Agreements (PPAs) along with power invoices from July 2020 through January 2023; and
6. Copies of all closing documents and communications related to any of the Debtors' stock offerings in late 2021 – early 2022.

In addition, I have requested that the Debtors confirm whether the Debtors have tendered Mr. Shirole's claims to any insurers, and provide any reservation or rights letters or confirmation that a defense was offered. I have seen no such communications from any of the involved insurers.

Please provide the above information by noon central time tomorrow (2/3/23). If such documents are not produced by that time, I will bring an emergency motion to compel to be heard at or before the scheduled hearing on the 9th.

Please respond with questions. Thank you.



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From: Jeffrey D. Klobucar
Sent: Tuesday, January 24, 2023 10:41 AM
To: Micheli, Matt <mattmicheli@paulhastings.com>; Grogan, James T. <jamesgrogan@paulhastings.com>

Cc: Kristin K. Going (<kgoing@mwe.com>); J. Michael Sutherland (<msutherland@ccsb.com>); rsmiley@fbfk.law
Subject: RE: Ro Shirole

All,

Good morning. I have not received any response from the Debtors despite the passage of nearly a week. Please let me know when I can expect to receive the documents listed below. Thanks.



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From: Jeffrey D. Klobucar

Sent: Wednesday, January 18, 2023 12:48 PM

To: Micheli, Matt (<mattmicheli@paulhastings.com>); Grogan, James T. (<jamesgrogan@paulhastings.com>)

Cc: Kristin K. Going (<kgoing@mwe.com>); J. Michael Sutherland (<msutherland@ccsb.com>); rsmiley@fbfk.law

Subject: RE: Ro Shirole

Matt and James,

Good afternoon. I am writing to discuss the timing of a response to my below requests and in follow up to yesterday's hearing. The information I have requested is necessary to my ability to present my case on the estimation motion (and ultimately, the claim objection). Because I don't yet have such documents, I anticipate it will be an emergency motion—though I would like to have it on file as soon after I receive the documents as possible.

In addition to my prior requests, I understand from my client that there was a stock offering in late 2021-early 2022 (there may have been more than one round of financing and there were likely debt and equity rounds). I request all closing documents from those offerings, as well as any communications (internal or external – subject, of course, to attorney-client privilege) pertaining to the company valuation and per share value related to such offerings.

So to re-iterate the requests, please produce:

First, in order to determine the commissions earned by Mr. Shirole and the value of his claim related to the share repurchase:

1. Copies of all signed customer and Joint Venture contracts, addenda, schedules and Order Forms from July 2020 through December 9, 2022;
2. Copies of all invoices from manufacturers from which the Debtors purchased miners from July 2020 through December 9, 2022;
3. Calculations for all profit-sharing agreements with Bit Digital through December 9, 2022;
4. Copies of all customer invoices for hardware purchases and hosting services from July 2020 through January 2023; and

5. Copies of all Power Purchase Agreements (PPAs) along with power invoices from July 2020 through January 2023; and
6. Copies of all closing documents and communications related to any of the Debtors' stock offerings in late 2021 – early 2022.

Second, in order to determine whether there are other avenues of recovery for Mr. Shirole, please include a copy of the most recent iteration of the following insurance policies, and please verify that such policies were in place from August to December 2021:

1. Relm Insurance D&O policy (and any other D&O policies owned by the Debtors);
2. Axis EPL Policy (or any other EPL policies owned by the Debtors);
3. Kinsale - General Liability and Excess;
4. Vantage – Excess Liability
5. General Casualty – Commercial Property Coverage;
6. Endurance – Excess Liability Coverage;
7. Evanston – Excess Liability Coverage;
8. Federal – ERISA Bond Policy;
9. Relm – Management Liability;
10. Banyan – Excess Liability; and
11. Relm – Crime Policy

James referenced yesterday in court that we had been sent the EPL policy. If that is true, please let me know when you provided that. I cannot find that transmission, but maybe it is stuck in a spam filter or something.

Third, please confirm whether the Debtors have tendered Mr. Shirole's claims to any insurers, and provide any reservation or rights letters or confirmation that a defense was offered.

I look forward to hearing from you as soon as possible. Thanks.



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From: Jeffrey D. Klobucar
Sent: Sunday, January 15, 2023 4:54 PM
To: Micheli, Matt <mattmicheli@paulhastings.com>
Cc: Grogan, James T. <jamesgrogan@paulhastings.com>; Kristin K. Going (kgoing@mwe.com) <kgoing@mwe.com>; J. Michael Sutherland <msutherland@ccsb.com>; rsmiley@fbfk.law
Subject: RE: Ro Shirole
Importance: High

Matt,

Good afternoon.

I want to clarify my position with respect to the below.

First, I believe the insurance information I have requested, including tender letters and reservation of rights letters, should be really easy to obtain (I assume you already sent it to the Committee as well and I am happy to receive it from them). I am somewhat surprised that it has not been provided as of this time, as it is necessary for the motion for relief hearing scheduled on Tuesday morning. I think it is unfair to withhold such easily located information for this long (I asked for it formally a week in advance of the hearing and we have been discussing at least the updated D&O information since early December 2022). Please send such information as soon as possible.

Second, with respect to the claim objection process, whether you prevail on your subordination argument or not, the determination of whether and when certain amounts were owed to Mr. Shirole as of the date of his termination is certainly an important component of his claim (as you concede in the objection and as the statute makes clear). In order for you to proceed in good faith to make an argument to the court his claim should be limited to a year's salary, as you have done in part, you must have investigated information regarding other amounts potentially owed, including, without limitation, his commissions, as set forth in the Complaint annexed to the proof of claim. I am only asking for you to send me the same information the Debtors must have used to inform that argument and that the Debtors likely supplied to Mr. Mersch in order for him to form an opinion, under oath, regarding the amount of the claim and the viability of the Debtors' objection. Namely, such information, as I have requested it, is as follows:

1. Copies of all signed customer and Joint Venture contracts, addenda, schedules and Order Forms from July 2020 through December 9, 2022;
2. Copies of all invoices from manufacturers from which the Debtors purchased miners from July 2020 through December 9, 2022;
3. Calculations for all profit-sharing agreements with Bit Digital through December 9, 2022;
4. Copies of all customer invoices for hardware purchases and hosting services from July 2020 through January 2023; and
5. Copies of all Power Purchase Agreements (PPAs) along with power invoices from July 2020 through January 2023.

I would very much like to reach a deal with the Debtors on the amount of Mr. Shirole's claim and completely avoid further litigation efforts, but I cannot do that without information sufficient to calculate the components of his claim, which information is currently controlled by the Debtors. Again, I look forward to receiving the Debtors' offer to settle this claim, but will likely require the information listed above in order to evaluate the reasonableness of any offer the Debtors make. Please send all such requested information as soon as possible. Mr. Shirole reserves all rights. I look forward to hearing from you. Thank you.



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From: Jeffrey D. Klobucar

Sent: Sunday, January 15, 2023 2:52 PM

To: Micheli, Matt <mattmicheli@paulhastings.com>

Cc: Grogan, James T. <jamesgrogan@paulhastings.com>; Kristin K. Going (kgoing@mwe.com) <kgoing@mwe.com>; J.

Michael Sutherland <msutherland@ccsb.com>

Subject: RE: Ro Shirole

Matt,

Thanks. I got tied up and was unable to speak on Friday. I will look forward to your offer. Thanks.



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From: Micheli, Matt <mattmicheli@paulhastings.com>

Sent: Friday, January 13, 2023 4:07 PM

To: Jeffrey D. Klobucar <JKlobucar@bassford.com>

Cc: Grogan, James T. <jamesgrogan@paulhastings.com>; Kristin K. Going (kgoing@mwe.com) <kgoing@mwe.com>; J. Michael Sutherland <msutherland@ccsb.com>

Subject: [EXTERNAL] RE: Ro Shirole

Jeff,

Sorry I missed your call but I should be available after 430 CT if you would like to discuss. As we discussed earlier this week, our focus is on settlement as opposed to spending estate assets on discovery requests. To that end, we are working on getting you a settlement offer and will send that as soon as possible.

Separately, I wanted to let you know that the Debtors are filing certain claim objections today in connection with the upcoming confirmation process and your client's claim will be included. We intend to continue to work with you on a settlement but need to file objections giving the upcoming confirmation timing.

Let me know if you would like to discuss.

Thanks,

Matt

From: Jeffrey D. Klobucar <JKlobucar@bassford.com>

Sent: Thursday, January 12, 2023 4:51 PM

To: Micheli, Matt <mattmicheli@paulhastings.com>

Cc: Grogan, James T. <jamesgrogan@paulhastings.com>; Kristin K. Going (kgoing@mwe.com) <kgoing@mwe.com>; J. Michael Sutherland <msutherland@ccsb.com>

Subject: [EXT] RE: Ro Shirole

--- External Email ---

Matt,

Good afternoon. I am following up on the below. I understand you are working on obtaining these documents and otherwise responding to our discussions from yesterday. I am happy to receive these items in phases. For example, I would imagine the insurance policies, tender letters, and reservation of rights letters from any insurers related to our claims would be very easy to acquire in short order. Is it possible to produce those to me yet this evening? Please advise. Thanks.



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From: Jeffrey D. Klobucar

Sent: Tuesday, January 10, 2023 7:33 AM

To: Matthew Micheli (mattmicheli@paulhastings.com) <mattmicheli@paulhastings.com>

Cc: James T. Grogan <jamesgrogan@paulhastings.com>; Kristin K. Going (kgoing@mwe.com) <kgoing@mwe.com>; J. Michael Sutherland <msutherland@ccsb.com>

Subject: Ro Shirole

Counsel,

Good morning. I am following up on our discussions from last week regarding the information I need in order to be able to evaluate the nature and scope of Mr. Shirole's claim so that some agreement may be reached.

First, in order to determine the commissions earned by Mr. Shirole, please provide the following information to be provided as soon as possible:

1. Copies of all signed customer and Joint Venture contracts, addenda, schedules and Order Forms from July 2020 through December 9, 2022;
2. Copies of all invoices from manufacturers from which the Debtors purchased miners from July 2020 through December 9, 2022;
3. Calculations for all profit-sharing agreements with Bit Digital through December 9, 2022;
4. Copies of all customer invoices for hardware purchases and hosting services from July 2020 through January 2023; and
5. Copies of all Power Purchase Agreements (PPAs) along with power invoices from July 2020 through January 2023.

Second, in order to determine whether there are other avenues of recovery for Mr. Shirole, please included a copy of the most recent iteration of the following insurance policies, and please verify that such policies were in place from August to December 2021:

1. Relm Insurance D&O policy (and any other D&O policies owned by the Debtors);
2. Axis EPL Policy (or any other EPL policies owned by the Debtors);
3. Kinsale - General Liability and Excess;
4. Vantage – Excess Liability

5. General Casualty – Commercial Property Coverage;
6. Endurance – Excess Liability Coverage;
7. Evanston – Excess Liability Coverage;
8. Federal – ERISA Bond Policy;
9. Relm – Management Liability;
10. Banyan – Excess Liability; and
11. Relm – Crime Policy

Third, please confirm whether the Debtors have tendered Mr. Shirole's claims to any of the carriers listed by the Debtors in its first day motions (including, without limitation, the above).

Fourth, we had some discussions regarding the "equity options lost" listed on the POC. In fact, those are listed that way only for itemization purposes. In actuality, the Debtors elected to repurchase, and then repurchased 36,000+ shares in the Debtors from Mr. Shirole and took possession of such shares, though it failed to remit him the funds required for doing so. That isn't an equity interest as of the date the Debtors exercised their repurchase rights, but rather, a clear failure to pay Mr. Shirole, which constitutes a contract (or tort) claim which then becomes part of his unsecured claim.

I assume the requested information is readily available from Portage Point (especially as I have limited the scope of some of the documents to approximately 6 months) and would like to have that provided by COB Wednesday (tomorrow) so we can have some time to review and discuss it before the hearing. Please let me know if you have additional questions or would like to discuss further. Thanks.



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If you have received this communication in error, please notify us immediately at jklobucar@bassford.com or by telephone at 612.376.1639.

Thank you.